



सत्यमेव जयते
Government of India



**State Consumer Helpline
Knowledge Resource Management Portal**

[Project Supported by Department of Consumer Affairs, Govt. of India]

**OVERVIEW OF ACTIVITIES
(OCTOBER – DECEMBER 2017)**

**CENTRE FOR CONSUMER STUDIES
INDIAN INSTITUTE OF PUBLIC ADMINISTRATION**

I.P. Estate, Ring Road, New Delhi- 110002

Email- schkrmp.iipa@gmail.com

Telefax – 011-23705054

Website: www.consumeradvice.in, www.consumereducation.in

Overview of Portal Activities

State Consumer Helpline Knowledge Resource Management Portal (SCHKRMP)

State Consumer Helpline Knowledge Resource Management Portal (SCHKRMP) is a National Nodal Agency supported by Department of Consumer Affairs. The Knowledge Resource Management Portal coordinates and monitors the activities of State Consumer Helplines, provide solutions and advisory services to these helplines, maintains knowledge database and build capacity of the SCH's personnel. The purpose of monitoring is to ensure that all activities of the project are implemented, the complaints are handled appropriately.

The IT application and knowledge database are hosted on the servers at IIPA. The State Consumer Helplines have been given access to use the IT platform and knowledge database to register the calls/complaints being received by them and provide advice, guidance and information to the callers. The State Governments are mandated to sign the licence agreement with IIPA before getting an access to use the software and knowledge database. The consumer advisors and coordinators are also provided with the soft skills through various training programmes being organized at IIPA in addition to hold support at their site wherever it is desired by the state governments. The access to the IT application is internet based with 8 MBPS internet leased line. User IDs and password also provide secure extension of IT platform hosted on IIPA servers to all the state consumer helplines.

State Consumer Helpline

Department of Consumer Affairs has funded the setting up of consumer helplines in various States. These State Consumer Helplines are financially supported for a period of 5 years thereafter the State Governments are expected to run these helplines on their own. The necessary funds as under the scheme are spent by Department of Consumer Affairs for the State Government to set up the helplines under various models as per the respective policies of the State Governments. While some of the States have gone into subcontracting to involve NGOs/ VCOs and have allowed them function in their own premises. Some of the States have set up the helplines in their own premises and are running the helplines using manpower hired on contract basis directly or through manpower hiring agencies. The functioning of the helplines is the responsibilities of the respective State Government.

The consumer helplines receive calls from the consumers normally through toll free number. The other mode of communications available to the consumers to reach the consumer helplines is through emails, letters, fax and personal visits. The facility is also available to consumers to register their complaints directly on the website hosted at IIPA servers. These complaints are directed to the respective states from where the complaints are originated.

While consumer helplines are working in 25 States, consumer helplines of 18 States are using the common IT platform for registering the calls and using knowledge database. Currently 18 States are on board with IIPA using centralized IT platform and knowledge database.

States on board

1	Andhra Pradesh	10	Orissa
2	Bihar	11	Puducherry
3	Gujarat	12	Rajasthan
4	Haryana	13	Tamil Nadu
5	Himachal Pradesh	14	Telangana
6	Jharkhand	15	Tripura
7	Madhya Pradesh	16	Uttar Pradesh
8	Maharashtra	17	Uttarakhand
9	Mizoram	18	West Bengal

The total number of States having Licence Agreement with IIPA to share IT Portal stands at 25.

The list of the States who have signed Licence Agreement with IIPA to share the centralized IT Portal is given below:

Sl. No.	State/ UT Name		
1	Andaman & Nicobar	13	Kerala
2	Andhra Pradesh	14	Madhya Pradesh
3	Arunachal Pradesh	15	Manipur
4	Bihar	16	Mizoram
5	Chandigarh (UT)	17	Puducherry
6	Chhattisgarh	18	Punjab
7	Delhi	19	Rajasthan
8	Gujarat	20	Tamil Nadu
9	Haryana	21	Telangana
10	Himachal Pradesh	22	Tripura
11	Jharkhand	23	Uttar Pradesh
12	Karnataka	24	West Bengal

Even though the helplines functioning in the States of Maharashtra and Odisha are duly integrated with IT Portal but these States have not yet signed the licenses agreement formally with IIPA to share IT Portal.

Similarly the States of Andhra Pradesh, Arunachal Pradesh, Andaman & Nicobar, Chhattisgarh, Kerala and Karnataka despite having signed the Licence Agreement with IIPA are not reflecting any data of call registration indicating that either the helplines are not functioning in these States or they might be using their own software. An intervention of Department of

Consumer Affairs was earlier sought vide letter No. IIPA/SCHKRMP/SCH/2016 dated 06/09/2016.

The States of Bihar, Himachal Pradesh, Madhya Pradesh, Mizoram, Odisha, Tamil Nadu and Uttar Pradesh have been running the helpline intermittently. The consumer helpline at Puducherry was facing problem in its operationalization due to non-release of grant by the State Govt. since March 2016 and therefore it has stopped functioning. Similarly, the existing VCO running Consumer Helpline at Rajasthan has indicated its non-functioning as State Govt. is considering restructuring and awarding of contract for functioning of Consumer Helpline. Govt. of Rajasthan has now resumed its functioning through another NGO. Government of Punjab and Karnataka have not yet networked their helpline with IT Portal despite imparting training to staff at IIPA and having signed the Licence Agreement to share IT Portal for complaint registration and use of knowledge database

The States of Uttarakhand, Assam, Dadra Nagar & Haveli, Daman & Diu, Lakshadweep, Meghalaya, Nagaland and Sikkim are yet to sign Licence Agreement with IIPA to share IT Portal. Department of Consumer Affairs was requested for an intervention vide letter No. IIPA/SCHKRMP/SCH/2015 dated. 18/12/2015 and IIPA/SCHKRMP/SCH/2016 dated. 05/09/2016. The consumer Helpline at Sikkim has been regularly sending reports in hard copy as they are not using the centralized software. The Helpline has been receiving 5 to 6 complaints in a month on an average. While the State of Uttarakhand has not signed the agreement yet, their Web Manager was deputed for 2 days training to IIPA on 24-25 October 2016 for usage of IT Portal. After the training, the helpline has started using IT Portal for registration of consumer calls, advise / assistance and guidance using knowledge data base of IT Portal. The helpline is being provided telephonic support to handle various day to day situations.

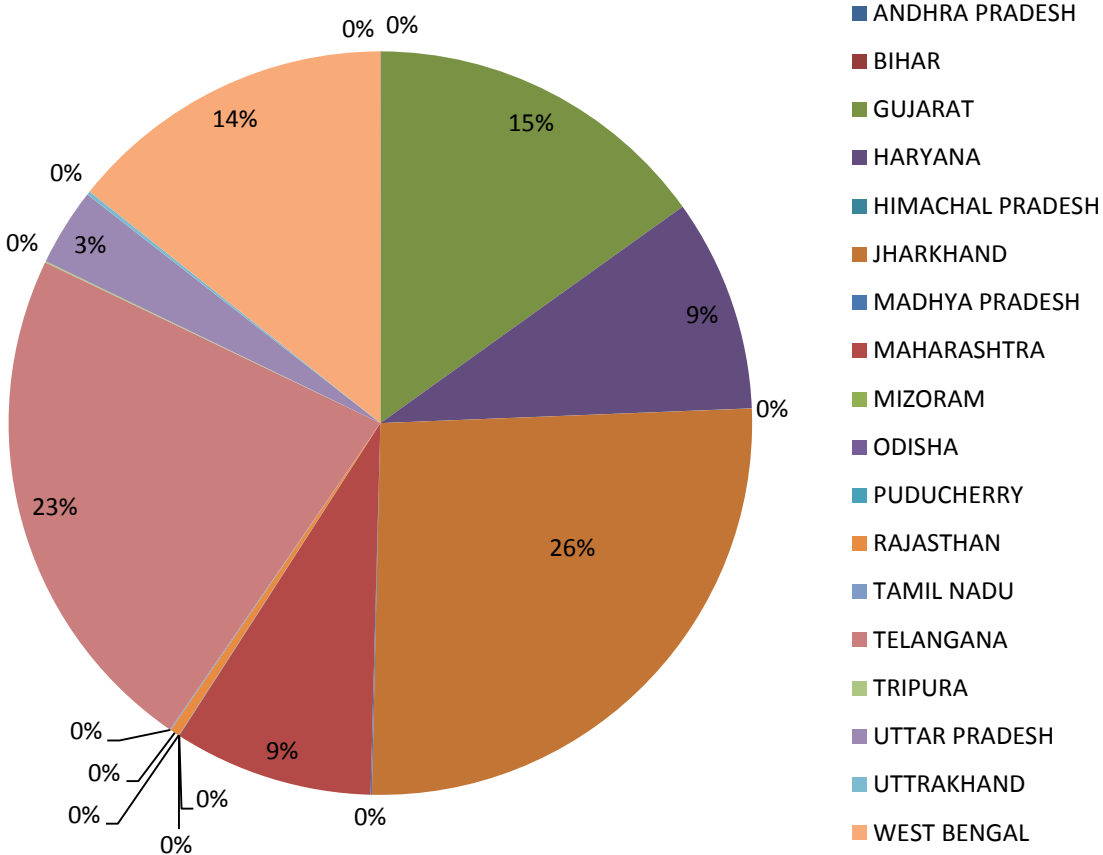
Statistical Report on Complaints/Calls received by SCHs:

The State Consumer Helplines receive calls from the consumers through telephone normally on toll free number as well as through other mode of communications like letters, emails, walk-in consumers as well as consumers logging their complaints directly on the website using online complaint registration. The online complaint registration is also used by the consumers in the States which are not yet networked with IT Portal. The statistical data pertaining to the call received/complaint registered during the period under review is given:

States Wise Calls Report: October– December, 2017

S.No	State Name	Call Received Oct'17	Call Received Nov'17	Call Received Dec'17
1	ANDHRA PRADESH	0	0	2
2	BIHAR	1	1	0
3	GUJARAT	690	853	805
4	HARYANA	439	499	503
5	HIMACHAL PRADESH	0	1	0
6	JHARKHAND	1432	1402	1212
7	MADHYA PRADESH	0	8	1
8	MAHARASHTRA	532	483	336
9	MIZORAM	0	0	0
10	ODISHA	1	1	1
11	PUDUCHERRY	1	0	0
12	RAJASTHAN	17	20	27
13	TAMIL NADU	3	4	0
14	TELANGANA	1208	1358	942
15	TRIPURA	3	4	2
16	UTTAR PRADESH	131	183	211
17	UTTRAKHAND	17	4	4
18	WEST BENGAL	652	806	767
	Total	5127	5634	4815

Call Received(October-December),2017



The sector wise list of calls received during the month of Oct to Dec, 2017 is given below:

Sector Wise Calls Received (Oct – December, 2017)

S.No	Industry Name	Calls Received Oct'17	Calls Received Nov'17	Calls Received Dec'17
1	PUBLIC DISTRIBUTION SYSTEM	1883	1974	1777
2	NATIONAL FOOD SECURITY ACT	813	846	576
3	TELECOM	147	193	156
4	FOOD AND SUPPLY	143	108	76
5	BANKING	98	141	108
6	DOMESTIC APPLIANCES	158	93	90
7	E COMMERCE	130	111	79
8	GAS LPG	106	107	125
9	REAL ESTATE	75	76	52
10	LEGAL METROLOGY	62	75	60
11	AUTOMOBILE	51	68	51
12	ELECTRICITY	50	47	46
13	PETROLEUM LPG PNG CNG	30	50	35
14	INSURANCE	63	50	29
15	EDUCATION	21	26	27
16	FINANCE	37	34	29
17	BROADCASTING AND CABLE SERVICES	28	22	26
18	POSTAL	19	19	18
19	MEDICAL NEGLIGENCE	15	15	16
20	TRANSPORT	8	18	13
21	AADHAAR CARD	4	10	7
22	FOOD AND BEVERAGES	12	10	11
23	RAILWAYS	2	1	2
24	AIRLINES	4	4	3
25	TOURISM	13	17	9
26	ADVERTISEMENT	0	0	5
27	OTHERS	456	375	448

Capacity Building of State Consumer Helplines

IIPA has been imparting training to the Helpline Staff and Coordinators of State Consumer Helpline. It has imparted training to all the States other than the four States namely Dadra Nagar and Haveli, Jammu & Kashmir, Lakshadweep and Meghalaya who have not attended any of the training programmes despite inviting nominations for training. IIPA has conducted 10 training programmes so far with a total participation of 276 personnel from 32 States/ UTs. In addition to the 10 training programmes conducted so far at IIPA, New Delhi, the Portal has also extended hand- holding support at site to the helplines at Bihar, Chandigarh (UT), Delhi, Haryana, Himachal Pradesh, Punjab, Rajasthan, Uttar Pradesh and Uttarakhand.

The last training programme i.e. 10th training programme was conducted at IIPA during 7th-9th June 2016. A Training Programme was also organized at the Portal during October 24-25, 2016 for the Web Manager/ Advisor recruited by Uttarakhand State Consumer Helpline. The training programme included topic on Consumer Empowerment and role of State Consumer Helpline, overview of consumer sectors like Banking, Insurance, Electricity, Telecom and Domestic Appliances. The participant Smt. Amarin Nakvi was acquainted with first-hand information and also got exposure to the IT Portal software and knowledge database for the effective running of the State Consumer Helpline.

SCHKRMP recently conducted 1st Training Programme for Coordinators and Advisors of Zonal Consumer Helplines on Consumer Protection and Consumer Welfare during September 27-29, 2017. With a view to cater the needs of the consumers in different regions of the country in the regional languages of the states, Department of Consumer Affairs had planned to set up six Zonal Consumer Helpline(ZCH) at Ahmedabad ,Bengaluru, Guwahati, Jaipur, Kolkata and Patna. These consumer helplines would be using the centralized software "INGRAM". Zonal helpline have been allocated States/UTs to be covered by each helpline and each helpline will be having 10 consumer desks. The Portal also provided hand holding support to Zonal Consumer Helpline at Ahmedabad and Kolkata for 5 days at each location. A total of 21 advisors were trained during the hand holding support from 14th -18th November 2017 and 21st to 25th November 2017 respectively. An updated list of the details of the training programmes conducted so far is given at page Nos. 10 and 11.

Online Complaints:

The IT Portal facilitates the consumers to register their complaints online giving them an access on 24x7 basis. A number of consumers have been registering their complaints/queries online at IT Portal. These complaints are directly diverted to the State Consumer Helplines who are using our IT Portal. These State Consumer Helplines take suitable action on such dockets. The complaints for those States which are not using IT Portal are downloaded and are regularly transmitted electronically to respective States to take appropriate steps. While forwarding such complaints electronically, the States are also being requested to join the IT Portal. However, the

States who either do not have functioning helpline are yet to be networked with IT Portal are not responding back to IIPA on these online complaints.

The following table provides the number of online complaints registered for these States which are yet to use our IT Portal. However, there was no feedback from these States on the complaints forwarded earlier to them for appropriate action.

Online Complaint During 1st Oct – 31st December 2017		
S.No	State Name	Call Received
1	BIHAR	4
2	DAMAN & DIU	0
3	GUJARAT	10
4	HARYANA	2
5	JAMMU AND KASHMIR	1
6	JHARKHAND	2
7	KARNATAKA	13
8	KERALA	2
9	MADHYA PRADESH	9
10	MAHARASHTRA	25
11	NCT DELHI	5
12	PUNJAB	1
13	RAJASTHAN	34
14	TAMIL NADU	7
15	TELANGANA	71
16	TRIPURA	0
17	UTTAR PRADESH	12
18	WEST BENGAL	14
	Total	212

Training Programme for Coordinators & Advisors of State Consumer Helpline

Sl. No.	Name of State	1st Training Programme (Training Schedule on 7-11 Feb, 2011)	2nd Training Programme (Training Schedule on 14-18 March, 2011)	3rd Training Programme (Training Schedule on 01-05, Aug, 2011)	4th Training Programme (Training Schedule on 23-27, April, 2012)	5th Training Programme (Training Schedule on 26-28, Feb, 2013)	6th Training Programme (Training Schedule on 04-06, Sep, 2013)	7th Training Programme (Training Schedule on 03-05, Feb, 2014)	8th Training Programme (Training Schedule on 17-19, Dec, 2014)	9th Training Programme and 1st training programme of GSK (Training Schedule on 24-26, Aug, 2015)	10th Training Programme and 2nd training programme of GSK (Training Schedule on 7-9, June, 2016)	1st Training Programme of ZCH(Training Schedule on 27-29, Sept., 2017)	Hand-Holding Support of SCH and GSK	Hand Holding Support of ZCH Gujarat(14-18 Nov, 2017) and Kolkata(21-25, Nov 2017)	Training
1	Andaman Nicobar					✓	✓								2
2	Andhra Pradesh	✓				✓									2
3	Arunachal Pradesh		✓							✓					2
4	Assam				✓							✓			2
5	Bihar	✓	✓								✓	✓	✓		5
6	Chandigarh												✓		1
7	Chattisgarh				✓	✓									2
8	Dadra Nagar Haveli														0
9	Daman & Diu					✓									1
10	Delhi							✓					✓		2
11	Goa					✓									1
12	Gujarat		✓					✓			✓	✓		✓	5
13	Haryana	✓			✓		✓		✓				✓		5

14	Himachal Pradesh			✓	✓			✓	✓				✓		5
15	Jammu & Kashmir														0
16	Jharkhand				✓	✓					✓				3
17	Karnataka		✓		✓	✓		✓		✓	✓	✓			7
18	Kerala								✓						1
19	Lakshadweep														0
20	Madhya Pradesh			✓											1
21	Maharashtra			✓			✓								2
22	Manipur					✓			✓						2
23	Meghalaya														0
24	Mizoram			✓											1
25	Nagaland			✓											1
26	Orissa	✓													1
27	Puducherry				✓		✓		✓						3
28	Punjab		✓			✓		✓					✓		4
29	Rajasthan			✓			✓		✓		✓	✓	✓		6
30	Sikkim	✓	✓					✓							3
31	Tamil Nadu				✓				✓	✓					3
32	Telangana								✓	✓					2
33	Tripura				✓					✓					2
34	Uttar Pradesh	✓				✓		✓					✓		4
35	Uttarakhand								✓				✓		2
36	West Bengal	✓					✓			✓	✓	✓		✓	6
	Total No. of Participants	27	18	20	22	24	22	17	18	35	14	20	79	21	337

Consumer Advocacy

The Portal has been raising advocacies pertaining to consumer issues to the respective stakeholders. The following issues have been raised during the quarter July-September 2017.

1. Unethical Banking Practices in violation of RBI notification and directives of Ministry of Finance- charging of SMS Alert Charges and Debit Card transaction fees by Banks

The banks both in PSUs as well as private sectors ,have been found to be violating the RBI notification no. RBI/2013-14/381 DBOD.No.Dir.BC.67/13.10.00/2013-14 dated 26/11/2013. As per the circular ,banks are required to charge the Account Holders for providing SMS Alert Services only on actual basis, whereas the customer are being charged a lump sum amount on a actual basis.

The second issue relates to levying fees on debit card transactions. In this regard RBI circular No:RBI/2013-14/292 DBS co.opd no 3578/11.1.005/2013/14 dated 17th September 2013,wherein levying fees on debit card transactions by merchants from consumers were stated as unjustifiable and pernicious practice. However the practice continues as can be observed from the number of complaints received.

The matter was again referred to Department of Consumer Affairs vide letter No. IIPA/SCHKRMP/Banking SMS/2015 dtd. 19/06/2015 for appropriate intervention in stopping such unethical business practices. The matter was continuously pursued with Department of Consumer Affairs. Department of Consumer Affairs was also being continuously apprised of unfair deductions by banks/merchants on transactions at POS and Merchants sites through use of debit cards/ internet banking/ NEFT etc. These charges on account of transactions are even as high as 3% in some of the cases. The Portal raised the issue again vide letter No. IIPA/SCHKRMP/Debit card dtd. 09/12/2016 to Department of Consumer Affairs.

Action taken by Department of Consumer Affairs/RBI: Department of Consumer Affairs has again taken up the issue with Reserve Bank of India on 3rd May, 2017 to intervene in the matter to address the same in the interest of consumer seeking issuing of binding directions to the banks i) to refund the excess charges on SMS in identifiable cases or credit to an appropriate fund for ensuring consumer welfare activities and ii) remove the unjustifiable charges on debit card transactions. RBI vide its letter No. DPSS.CO.PD.No.588/02.12.004/2017-18 dated 4th Aug, 2017 informed Department of Consumer Affairs that the complaints have been forwarded to Department of Banking Supervision, RBI for necessary action.

Dakshin Haryana Bijli Vitran Nigam Ltd. (DHBVN), a State PSU of Govt. of Haryana has now withdrawn the transaction fee for making mayment through debit/credit card, internet banking etc.

2. Complaint against retailers-Violation of Legal Metrology Rules in terms of charging taxes on MRP.

The State Consumer Helpline Knowledge Resource Management Portal has been raising issues of unfair trade practices being adapted by retailers in charging of VAT on discounted sales since March 2014 onwards. As it has become a trend wherein the retailers announce the discount on the MRP either on % age basis or on a fixed amount basis and then the consumers are being charged VAT on these discounted prices so arrived at the time of billing either at counters or through online shopping. While some retailers use to charge the additional VAT at the time of billing, some retailers also used to write "VAT Extra" in their display board, advertisements etc. The charging of additional VAT in both the situations is an unfair business practices on a basic fact that the MRP is always inclusive of VAT and other charges under the provisions of MRP rules. Therefore any discounted prices so arrived after discounting on MRP becomes discounted MRP and hence it is inclusive of VAT/ Sales Tax on the proportionate basis. The industrial behavior in charging the taxes which are not chargeable reflects some dubious activities as most of the business always thinks of how to avoid taxation. The possibility of some vested interest cannot be ruled out.

National Consumer Disputes Redressal Commission in a Revision Petition No. 3156 of 2016 (against the order dated 25/07/2016 in Appeal No. 948/2015 of the State Commission, Punjab) in its judgment on 9th February 2017 adjudicated with the same view point as brought out in our advocacy paper. It adjudicated as:

"Learned counsel for the petitioner in order to get rid of the aforesaid judgment has submitted the facts of the aforesaid case before Coordinate Bench were different because in the advertisement of the aforesaid case, flat discount of 40% was offered, whereas the words 'FLAT' is missing in offer of the petitioner. Merely absence of word 'FLAT' in the offer of the petitioner will not make any difference because the discount of 30% on MRP by itself means that discount is 'FLAT' discount on maximum retail piece. So far as judgments relied upon by the petitioner concerned, those judgments are not applicable to the facts of the case because those judgments relates to tax matters whereas in the instant case, we have to see whether the petitioner has indulged in unfair trade practice by giving misleading offer to the customers and thereafter overcharging them by charging VAT on discount price.

In view of the discussion above, we do not find any jurisdictional error or Material irregularity in the impugned order which may call for interference in exercise of revisions jurisdiction. Revision petition is, therefore, dismissed."

State Commission has earlier stated that "as per established law, on discounted Maximum Retail Price (MRP), Value Added Tax (VAT) cannot be charged. It was so said by this Commission in the following cases:-

- i. Shoppers Stop and others Versus Jashan Preet Singh Gill and Others, first Appeal No. 210 of 2015 decided on 01.09.2015.

- ii. Benetton India Private Limited vs. Ravinderjit Singh, Appeal N. 61 of 2016 decided on 20.09.2016.
- iii. M/s Aero Club (Woodland) Vs. Harpreet Singh, Appeal No.318 of 2016 decided on 01.12.2016.
- iv. Ethnicity vs. Heema Aggrawal, Appeal No. 331 of 2016 decided on 02.01.2017.”

The judgments of the State Commission upheld by National Commission in Revision Petition have explicitly adjudicated that the VAT cannot be charged on the discounted prices.

The portal sought the intervention of Department of Consumer Affairs(Legal Metrology) vide its letter No.IIPA/SCHKRMP/Legal Metrology/2017 dated 24/08/2017 and intervention of Controller of Legal Metrology, Karnataka and Uttar Pradesh vide letter No.IIPA/SCHKRMP/Legal Metrology/2017 dated 11/07/2017 and 12/07/2017 respectively.

3. Knowledge database:

- Acts and Regulations of various services like The Real Estate (regulation and development) Act, 2016, Electricity, Education, Goods and Service Tax, Legal Metrology, Taxes, etc.
- Consumer Advisories like PNG Domestic Consumer, Health Insurance, and Telecom etc.
- Consumer Connect a quarterly Newsletter and monthly news bulletin.
- Frequent Occurring Problems and benchmark of services wherever specified.
- Contact details of service providers.
- Sector wise FAQs (1650 Nos.).
- Citations on Airlines, Legal Metrology, Insurance, Telecom, And Motor Accident Claim Tribunals etc.
- Newspaper reports of consumer concern (3602).